

30 JUL 1968

MEMORANDUM FOR: Director of Central Intelligence

THROUGH : Executive Director-Comptroller  
Director of Personnel

SUBJECT : Increased Compensation for  
DDI Consultants

REFERENCE : Memorandum from Deputy Director for  
Support to Executive Director-  
Comptroller, dated 11 March 1968,  
Subject: Consultants' Fees--  
Proposed Amendments to [redacted]  
(DDS 68-0892)

25X1

On the basis of a review of the consultants of this Directorate, I recommend increases in compensation for the six individuals listed below. Their qualifications and intended uses are presented in the attachment.

Name

Recommended Compensation

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\$75 per day

Daily rate for top step  
of grade GS-15

Daily rate for top step  
of grade GS-15

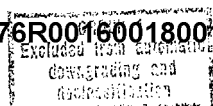
Daily rate for top step  
of grade GS-15

(EXECUTIVE REGISTRY FILE

*P. 1. 1*

OGC Has Reviewed

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	<u>Name</u>	<u>Recommended Compensation</u>	
25X1	<div style="border: 1px solid black; width: 200px; height: 30px;"></div>	Daily rate for top step of grade GS-15	
	<div style="border: 1px solid black; width: 300px; height: 40px;"></div>		25X1
	R. J. SMITH Deputy Director for Intelligence		

	<u>Attachment</u>	
25X1	<div style="border: 1px solid black; width: 280px; height: 40px;"></div>	
	CONCUR: <div style="border: 1px solid black; width: 350px; height: 40px;"></div>	<u>SAVACH</u>
	Director of Personnel	Date
25X1	<div style="border: 1px solid black; width: 350px; height: 40px;"></div>	16 August 1968
	for Executive Director-Comptroller	Date

The recommendation contained in the above paragraph is  
APPROVED:

<u>Richard Helms</u>	16 August 1968
Director of Central Intelligence	Date

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25X1

DDI/Admin: [ ] :jpg/[ ] (29 July 1968)

25X1

Distribution:

- Original - Director
- DDI/Admin
- 1 - Executive Registry
- 1 - Executive Director
- 1 - Director of Personnel
- 1 - DDI
- 1 - DDI/Admin

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ERICK.B

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Executive Registr

68-11931

3 May 1968

MEMORANDUM FOR THE DIRECTOR

VIA: (a) Director of Personnel  
(b) Executive Director-Comptroller

SUBJECT: Increase in Consultant Fees

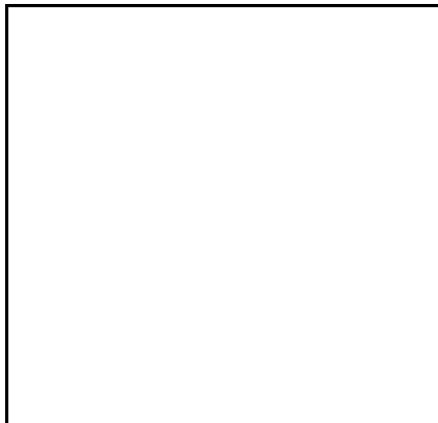
REFERENCE: Memorandum from Deputy Director for Support to  
Executive Director-Comptroller, dated 11 March  
1968, subject: Consultant Fees...Proposed Amend-  
ments to [ ]

25X1

1. This memorandum contains, in paragraph 3 below, a recommendation for your approval.

2. We believe that the consultants to the Office of National Estimates who are listed below are fully qualified by experience and background to receive the increased compensation outlined in the DDS memorandum to which we have referred. This group of gentlemen is composed of senior academic specialists, as well as a number of former members of the Board of National Estimates who attained the GS-18 level many years ago. They are the following:

25X1

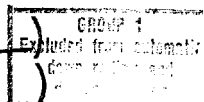


Of this list, [ ] are retired annuitants. However, we are informed by the Contract Personnel Division that, since their contracts set a fee on a per consultation rather than a daily basis, their compensation as consultants does not affect their annuity payments.

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3. I request your approval of raising the per consultation fee of the above named consultants, effective with the FY 69 contracts, to the equivalent of the daily rate of the top step of the GS-15 level.

(S/

ABBOT E. SMITH  
Director, National Estimates

CONCUR:

Director of Personnel

CONCUR:

*Approved*

W. L. K. White

16 MAY 1968

Executive Director-Comptroller

~~APPROVED: (DISAPPROVED)~~

~~Director of Central Intelligence~~

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**SECRET**

DD/S 68-0892

MAR 1968

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Consultants' Fees - Proposed Amendments to

[REDACTED]

25X1

REFERENCE : Memo to D/P fm OGC dtd 29 Nov. 67 subj: Consultants' Fees

1. This memorandum contains in paragraph 5 a recommendation for your approval.

2. Many Government agencies have the authority to pay consultants per diem at the daily rate of the top step of GS-15 (currently \$92.88). Others have authority to pay a per diem of \$100 and some have authority to pay more than this amount, but it is believed the maximum daily rate is generally held to \$100.

3. The Agency's current limitation of \$50 per day causes two problems. One is our inability to meet competition from other Government agencies. The second problem is our inability to pay those who do serve us - many obviously do so for reasons other than money - at a rate which more nearly represents the value of their contribution. Many consultants will continue to be underpaid even though our rate is increased as proposed herein, but the problem is eased if we are following general Government practices.

EXECUTIVE REGISTRY FILE 7-1-1

OGC

FOIAB5

- 2 -

5. It is recommended that the Agency adopt the above provisions of the Administrative Expenses Act and limit per diem payments to the rate of the top step of GS-15. Since the Agency is not subject to the Classification Act, per diem in excess of that rate could be paid (see ref memo attached). It seems prudent, however, to stay within the rate which is used by the Department of State and others. It seems likely that a general pay raise this year will cause the daily rate of the top step of GS-15 to exceed \$100. If this occurs, then our rate will soon be competitive with most, if not all, other agencies.

R. L. Bannerman  
Deputy Director  
for Support

Atts. (2)

1. Proposed Revision of
2. Ref Memo

25X1

CONCUR:

Lawrence R. Houston  
General Counsel

Date

CONCUR:

Robert S. Wattles  
Director of Personnel

Date

The recommendation contained in paragraph 5 is APPROVED.

L. K. White

L. K. White

19 MAR 1968

Date

*Handwritten:*  
This 18 Mar 68 15/LKW

- 3 -

Distribution:

Orig. - Addressee w/att (Return pls to DD/S)

- ✓ 1 - ER w/att
- 1 - General Counsel w/att
- 1 - D/Pers w/att
- 1 - DD/S Chrono (w/H)
- 1 -  w/att

EXO-DD/S/VRT:bak(8 Mar 68)

25X1



C O N F I D E N T I A L

PERSONNEL

HR 20-52

52. CONSULTANTS. No change.

a. DEFINITION. No change.

b. POLICY. No change.

c. PERIOD OF SERVICE AND COMPENSATION

(1) Consultants shall be hired for a period not to exceed the current fiscal year. Normally their services will be rendered intermittently.

(2) When consultants serve on a compensated basis, ~~they/optionally will be paid a stipulated amount for each day of service or for each consultation/~~ but the rate of compensation shall ~~not exceed \$50~~ be fixed at a sum determined to be consistent with qualifications and services to be rendered, but the rate shall not normally exceed the top step of GS 15 for each day of service/ or for each consultation not to exceed one consultation per day. Compensation for appointed consultants receiving civilian Federal retirement benefits shall be reduced by the daily rate of retirement pay. Compensation for appointed consultants receiving military retirement benefits shall be reduced, if required, in accordance with the provisions of the Dual Compensation Act of August 19, 1964.

d. CONFLICTS OF INTEREST. No change.

e. RESPONSIBILITIES

(i) The Director of Central Intelligence/ ~~or in his absence the Deputy Director/~~ ~~of Central Intelligence or the Executive Director/~~ shall grant

Approved For Release 2003/05/29 : CIA-RDP80B01676R001600180014-3 and final approval of the rate of compensation)

OGC 67-2212

29 November 1967

MEMORANDUM FOR: Director of Personnel

SUBJECT: Consultants' Fees

1. Your memorandum to the General Counsel, dated 30 October 1967, requests our advice regarding the old problem of the Agency's inability, because of the \$50 maximum per day of service set by Section 303(a) of the National Security Act of 1947, to meet on a competitive basis the compensation other Government agencies can pay their temporary or intermittent advisors or consultants. Your proposal would seem to indicate that we can avoid the statutory limitation on compensation payable to advisors/consultants by renaming them independent contractors and paying them on a fee per task basis, not to exceed one task per day. This proposal raises troublesome questions inasmuch as it calls for a change in form only, not substance. In any event, we feel that the less favorable treatment, compensationwise, of Agency consultants may be cured by other administrative action. OCG

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OGC

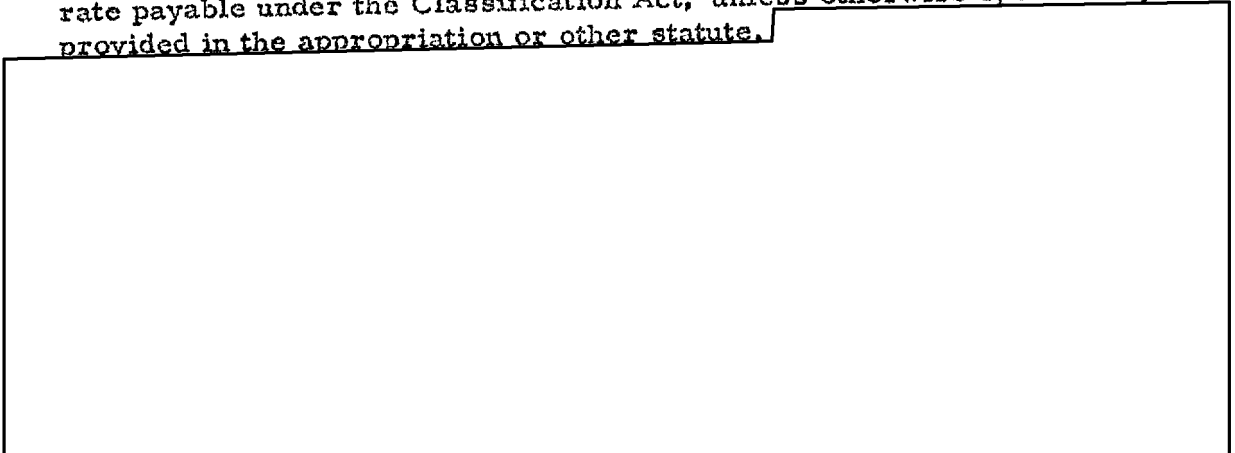
FOIAB5



3. Section 15 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 3109), authorizes the head of an agency to employ temporary or intermittent experts and consultants when authorized by an appropriation or other statute, and in such cases such service shall be without regard to the civil service and classification laws. It further provides that agencies subject to the Classification Act shall compensate consultants at rates not in excess of the per diem equivalent at the highest rate payable under the Classification Act, unless otherwise specifically provided in the appropriation or other statute.

OGC

FOIAB5



Office of General Counsel

25X1

OGC:RLB:mej

Distribution:

- Original & 1 - Addressee
- 1 - Subject (CONSULTANTS)
- 1 - Signer
- 1 - Chrono

OGC

FOIA B

3. Section 15 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 3109), authorizes the head of an agency to employ temporary or intermittent experts and consultants when authorized by an appropriation or other statute, and in such cases such service shall be without regard to the civil service and classification laws. It further provides that agencies subject to the Classification Act shall compensate consultants at rates not in excess of the per diem equivalent at the highest rate payable under the Classification Act, unless otherwise specifically provided in the appropriation or other statute.

OGC

FOIA B

Office of General Counsel

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06C67-2046

File: Consultants

30 OCT 1967

MEMORANDUM FOR: General Counsel

SUBJECT : Consultants

1. For some time now I have been disturbed by the Agency's practice of compensating its most highly qualified intermittent advisors at no more than \$50 a day. An analysis of our 1 October 1967 roster of such advisors shows an on-board strength of 85. Of this total 65 are drawing the maximum statutory compensation of \$50 per day or per consultation; 20 are serving without any compensation at all.

2. In my opinion there are really two problems. One is to meet on a competitive basis the compensation other Government agencies can pay their advisors (normally the daily rate of the top step of a GS-15). The second is that of paying our on-board advisors a fee which more nearly represents their worth and contribution to the national effort. For example, ONE has 16 on-board intermittent advisors. Twelve of these men have been assisting us since the 1950's. All have national and many have international reputations. They obviously assist us for reasons other than monetary. I don't propose to substitute money for other motivational reasons but I would like to be able to offer the same minimum financial recognition to our qualified advisors as can most other Government agencies.

3. To compensate our external intermittent advisors more adequately, I propose to contract with them as independent contractors and pay them on a fee per task basis, not to exceed one task per day. I estimate that most of these fees if converted to a daily rate would approximate the top of a GS-15. Any fees which exceeded that rate would, of course, need prior approval by the Director under

25X1

4. As the advisor/consultant area is both technical and complex, I would appreciate your views on my proposal. Specifically, I would like your legal concurrence as well as any comments and guidelines you may suggest.

25X1

Emmett D. Echols  
Director of Personnel

GROUP 1  
Excluded from automatic  
downgrading and  
declassification

Executive Registry

67-4554

27 September 1967

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT: Limitation on Consultant Fees

1. This memorandum is for information.

2. On 27 September I talked to Mr. Robert F. Keller, General Counsel to the Comptroller General, about our problem with the provision in section 303(a) of the National Security Act of 1947, as amended, which states that part-time advisory personnel may receive compensation at a rate not to exceed \$50.00 for each day of service. Mr. Keller agreed that every other agency in Government had authority to exceed this rate by a considerable amount. I asked if we could pay higher rates under our general authorities given to us "notwithstanding the provisions of any other law" in the Central Intelligence Agency Act, which was passed after the National Security Act. Mr. Keller is of the opinion that our general authorities could not overcome such a specific prohibition, particularly referring to the receipt of compensation, and that he would have to so rule if formally approached. He, therefore, felt we should include a repeal provision in our legislative proposals.

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LAWRENCE R. HOUSTON  
General Counsel

cc: DDS  
Legislative Counsel

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27-30 1 10 1967

EXECUTIVE REGISTRY FILE

P-1.1

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM		APPROVED FOR RELEASE 2003/05/29 : CIA-RDP80B01675R001600180014-3	
UNCLASSIFIED		CONFIDENTIAL	
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	<i>Sen. Council</i>		
2			
3			
4			
5			
6			
<input type="checkbox"/>	ACTION	<input type="checkbox"/>	DIRECT REPLY
<input type="checkbox"/>	APPROVAL	<input type="checkbox"/>	DISPATCH
<input checked="" type="checkbox"/>	COMMENT	<input type="checkbox"/>	FILE
<input type="checkbox"/>	CONCURRENCE	<input type="checkbox"/>	INFORMATION
<input type="checkbox"/>		<input type="checkbox"/>	PREPARE REPLY
<input type="checkbox"/>		<input type="checkbox"/>	RECOMMENDATION
<input type="checkbox"/>		<input type="checkbox"/>	RETURN
<input type="checkbox"/>		<input type="checkbox"/>	SIGNATURE
Remarks: <i>Larry: I have trouble remembering the contents of these two memos. Could you please discuss them with me sometime soon. DDCI is still interested. Bob of course I am.</i>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME,		DATE	
		23 JAN 1988	
APPROVED FOR RELEASE 2003/05/29 : CIA-RDP80B01675R001600180014-3			

STAT

Approved For Release 2003/05/29 : CIA-RDP80B01676R0001600180014-3

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM

UNCLASSIFIED CONFIDENTIAL SECRET

# OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	DATE	INITIALS
1	Deputy Director for Support		
2	ER		
3			
4			
5			
6			

<input type="checkbox"/> ACTION	<input type="checkbox"/> DIRECT REPLY	<input type="checkbox"/> PREPARE REPLY
<input type="checkbox"/> APPROVAL	<input type="checkbox"/> DISPATCH	<input type="checkbox"/> RECOMMENDATION
<input type="checkbox"/> COMMENT	<input type="checkbox"/> FILE	<input type="checkbox"/> RETURN
<input type="checkbox"/> CONCURRENCE	<input type="checkbox"/> INFORMATION	<input type="checkbox"/> SIGNATURE

## Remarks:

Bob:

Larry Houston tells me that you have a regulation in the mill which will change our salary arrangements for consultants. I would like to expedite this and would also like to see it before publication.

Suspense: 15 Feb '68

15/  
LKW

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FROM: NAME, ADDRESS AND PHONE NO.

DATE

Executive Director - Comptroller

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UNCLASSIFIED CONFIDENTIAL SECRET

FORM NO. 1-67 237 Use previous editions



<b>TRANSMITTAL SLIP</b>		DATE
TO: <i>DDC</i>		
ROOM NO.	BUILDING	
REMARKS: <i>On the</i> <i>journal.</i> <i>Ex Our rec'd</i> <i>original.</i>		
FROM:		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241  
1 FEB 55

REPLACES FORM 36-8  
WHICH MAY BE USED.

(47)

# ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Director of Personnel  
5E56 HQ

EXTENSION

NO.

DATE

9 AUG 1969

25X1

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Executive Director -  
Comptroller/7E12 HQ

2. Deputy Director of  
Central Intelligence/7E12 HQ

3. Director of Central  
Intelligence/7E12 HQ

4. Director of Personnel  
5E56 HQ

5. Contract Personnel Division  
5E69 HQ

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.

All of these gentlemen are intermittent consultants currently paid at the rate of \$50 per day. None was used more than 10 times in FY-68. It is anticipated that none will be used more than 10 times in FY-69.

All appear fully qualified for the requested increase in compensation. Recommend approval.

25X1

Robert S. Wattles  
Director of Personnel